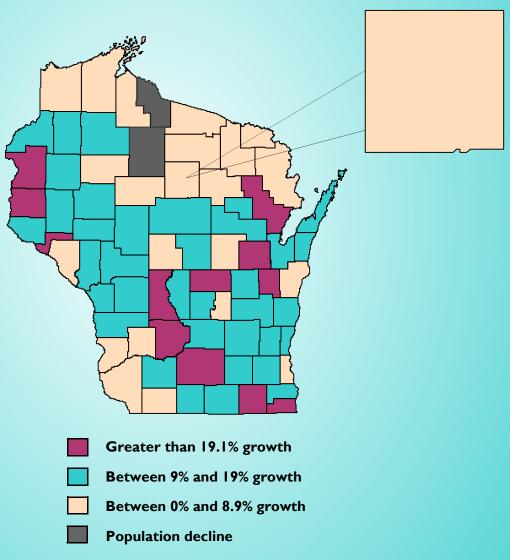
Lincoln County Workforce Profile

Projected population growth from 2000 to 2020



Source: Wisconsin Department of Administration, Demographic Services Center. Statewide population growth is projected to be 13.9 percent from 2000 to 2020.



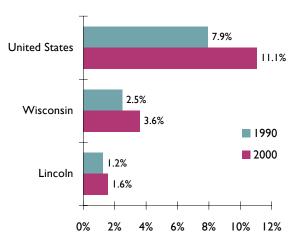
County Population

Population growth affects the supply of workers, the ability to attract employers and demand for goods and services. Lincoln County added about 303 people or 1.0 percent between the April 2000 Census and the January 2002 population estimates. This growth rate was below the national rate and the statewide rate. Together, Pine River, Bradley, Scott and Harrison gained 172 people, or nearly 57 percent of the county's total gain.

On the whole, non-metropolitan Wisconsin experienced natural increase (births minus deaths) equal to 0.24 percent of its Census 2000 population and net migration (people moving in minus people moving out) of 1.51 percent. Lincoln County had more deaths than births over this time period, so its population would have declined if it weren't for positive net migration. The 2000 Census also asked where people had lived in 1995. Roughly following non-metropolitan Wisconsin trends, about 10 percent of Lincoln County residents reported having lived in another Wisconsin county in 1995 and roughly 4.9 percent reported having lived outside of Wisconsin in 1995.

The graph below shows how many residents were foreign-born in the 1990 and 2000 censuses. Despite a small increase, Lincoln County remained well behind the state and the nation. Available data does not suggest that this dynamic will change dramatically in the near term.

Share of Foreign-born Residents

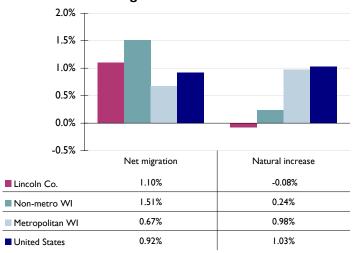


Source: US Dept. of Commerce, Census 2000, Summary file-4, QT-PI4

Total Population

	April 2000 Census	January 1, 2002 estimate	Percent change
United States	281,421,906	286,923,000	2.0%
Wisconsin	5,363,701	5,453,896	1.7%
Lincoln County	29,641	29,944	1.0%
Largest Municipalities			
Merrill, City	10,146	10,151	0.0%
Tomahawk, City	3,770	3,772	0.1%
Merrill, Town	2,979	3,001	0.7%
Bradley, Town	2,573	2,619	1.8%
Pine River, Town	1,877	1,932	2.9%
Scott, Town	1,287	1,326	3.0%
Schley, Town	909	917	0.9%
King, Town	842	858	1.9%
Corning, Town	826	838	1.5%
Harrison, Town	793	825	4.0%

Net migration and natural increase



Source: Wisconsin DOA, Demographic Services Center & US Census Bureau

The county experienced fewer births from 1992 to 2001 than it had between 1982 and 1991. In 2001, 71 percent of Lincoln County's births were to mothers under 30 years old and 89 percent were to mothers under 35. Natural increase (or lack thereof) affects population growth and age demographics, in turn, have an impact on natural increase. The number of female residents in their 20s and 30s affects future birth rates and population growth rates.



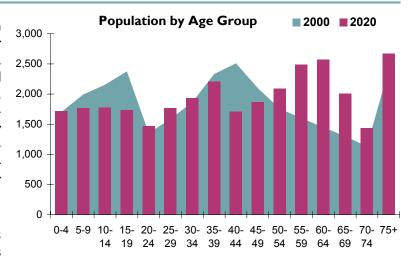
Population	Projections b	Age Groups in	Lincoln County
. opalacion		,go	. _

	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75+
2000 Male	885	1,014	1,113	1,395	684	809	962	1,151	1,258	1,094	884	799	711	636	520	895
Female	818	978	1,113	981	672	777	905	1,131	1,253	1,004	877	800	740	664	614	
	010	7/8	1,044	701	6/2	///	703	1,101	1,253	1,004	8//	800	740	66 1	614	1,523
2005																
Male	811	947	1,062	1,204	1,063	715	860	1,014	1,194	1,283	1,101	885	778	671	525	929
Female	782	877	1,025	976	792	766	823	950	1,208	1,273	1,011	891	800	705	587	1,510
2010																
Male	844	857	981	1,151	919	1,111	764	913	1,059	1,226	1,300	1,108	869	740	558	967
Female	812	828	910	956	786	892	813	867	974	1,229	1,283	1,028	894	762	624	1, 4 86
2015																
Male	869	879	883	1,049	87 I	957	1,172	806	949	1,083	1,236	1,302	1,083	824	614	1,019
Female	837	848	855	845	766	884	936	854	887	989	1,235	1,299	1,028	850	673	1,503
2020																
Male	875	898	905	942	793	906	1,007	1,230	837	971	1,094	1,240	1,276	1,029	686	1,104
Female	842	868	875	793	676	863	925	978	874	901	995	1,251	1,299	979	752	1,568
Source: W	Source: Wisconsin Dept. of Administration, Demographic Services, October 2003															

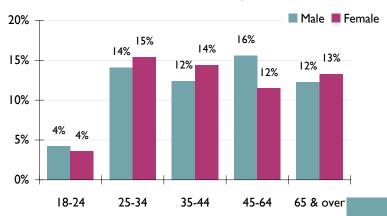
Population projections suggest that Lincoln County will gain something like 1,591 people or around 5.4 percent between 2000 and 2020. This is less than half Wisconsin's projected growth of 13.9 percent. As baby-boomers age, 3 cohorts, (55- to 59-year-olds, 60- to 64-year-olds and 65- to 69-year-olds) will each grow by roughly 708 to 1,124 people, or 55 to 78 percent. Meanwhile, 2 other cohorts (40- to 44-year-olds and 45- to 49-year-olds) will see their ranks thin by about 226 to 800 people or 11 percent to 32 percent.

The group that starts with 1,044 females aged 10 to 14 in 2000 shrinks to 786 females aged 20 to 24 in 2010 and rebounds to 925 females aged 30 to 34 in 2020. This reflects a sharper dip of college-aged females and a milder rebound than non-metropolitan Wisconsin as a whole. Female out-migration is slightly greater than male out-migration in Lincoln. Counties where students can attend bachelor's degree programs tend to see less out-migration of college-aged females.

The graph to the right shows that advanced education (a bachelor's degree or more) used to be more common among males than females, but recent decades have reversed this trend. Recent graduates are some of the most mobile workers, and more likely to consider other locales for their industry mix and occupational offerings.



Percent of age group with at least a Bachelor's degree in Lincoln County



Source: US Dept. of Commerce, Census 2000, Summary file 4, QT-P20

Labor Force Characteristics

The labor force participation rate (LFPR) is the proportion of the eligible population that either works or looks for work. Generally, labor force participation rates tend to peak between the ages of 35 and 54. Members of younger cohorts sometimes occupy themselves with education or parenting. Slowly at age 55, and more quickly at age 62, labor force participation rates fall as older workers leave the labor force.

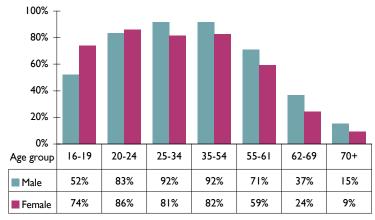
Population trends seen on page 2 cast a different light on labor force participation rates shown in the upper right graph. Large numbers of people will move from the three cohorts between 35 and 49 years old (where LFPR is high) into the cohorts between 55 and 69 (where LFPR is lower). This will pull down the county's overall LFPR.

In recent years, Wisconsin's LFPR has been among the 5 highest in the nation, and Lincoln County's has been somewhat lower. (See middle right graph.) The graph to the lower right suggests that the high labor force participation rates of those aged 35 to 44 cannot compensate for their declining numbers, while the increase of those aged 55 to 64 will be so great as to overcome their low LFPR and increase their absolute numbers in the labor force. Shifting demographic trends affect employment trends and policies.

In decades past, employers relied on dramatic increases in female LFPR to replace workers leaving the labor force and to keep up with job growth. Today, such sharp increases in female labor force participation are unlikely, particularly among younger cohorts. The upper right graph shows female LFPR exceeding male levels among those aged 16 to 19 or 20 to 24. Together, these trends may prompt employers to ask where replacement workers will come from.

The baby boomers who stay in the labor force longer may find employers modifying compensation and workplace policies to keep them on board. As some baby boomers begin to leave the labor force, they will eventually increase demand for certain types of labor (such as health care and homerelated services). Because younger workers often fill these jobs, and because the overall labor force will not grow as quickly as it used to, employers may step up recruitment of younger workers.

Lincoln Labor Force Participation by Age & Sex in 2000

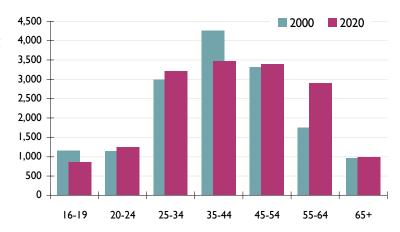


Source: US Dept. of Commerce, Census 2000, Summary file 4, PCT-79

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Source: WI DWD, Office of Economic Advisors, 2003

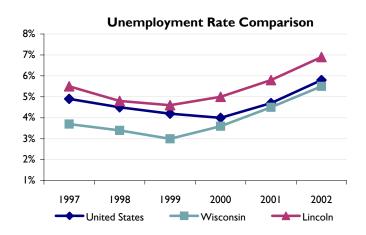
Labor Force by Age in 2000 & 2020 in Lincoln County



Source: DWD, Office of Economic Advisors, US Census, SF-4 (PCT-79), WI Demographic Services

Lincoln County Workforce Profile

Over the course of 2002, an average of roughly 14,900 Lincoln County residents participated in the labor force: about 13,868 were employed and approximately 1,032, or 6.9 percent were unemployed. Unemployment rose around the same time locally and statewide, which was before the national rate started going up. From 2001 to 2003, unemployment rates have been considerably higher than the heydays of the late 1990s, but a bit lower than they were in the 1993-1994 period. Some encouraging signs emerged in the autumn of 2003; the winter of 2003-2004 will show how they play out.



Lincoln County Civilian Labor Force Data

	1997	1998	1999	2000	2001	2002
Labor Force	16,020	15,398	14,314	14,819	15,018	14,900
Employed	15,137	14,653	13,661	14,083	14,154	13,868
Unemployed	883	745	653	736	864	1,032
Unemployment Rate	5.5%	4.8%	4.6%	5.0%	5.8%	6.9%

Source: WI DWD, Bureau of Workforce Information, LAUS program, 2003

Occupations in demand

Lincoln County is part of Wisconsin's north central region. In its upper portion, the table to the right lists those occupations projected to experience the fastest proportional growth between 2000 and 2010. An occupation starting with few jobs doesn't need to add many to grow quickly. Altogether, the fastest-growing occupations accounted for 1.9 percent of the region's jobs in 2000 and are expected to account for 2.6 percent of the region's jobs in 2010, so it is not an exhaustive list of opportunities. The list does not support the notion that most jobs require a bachelor's degree.

In its lower portion, the table lists those occupations projected to generate the most openings between 2000 and 2010. The less training a job requires, the less likely an employer is to invest in retention incentives (such as wage or benefit increases). Nursing requires more training than the other occupations generating the most openings. Challenging work schedules and conditions contribute to turnover, yet nursing programs have long waiting lists. As many nurses and nursing instructors approach retirement, aging baby-boomers will increase demand.

North Central Region Occupation Projections: 2010

		Education & Training	Average
	Top Ten Occupations	Typically Required*	Wage**
	Computer Support Specialists	Associate degree	\$16.29
	Computer Software Engnrs Apps	Bachelor's degree	\$30.39
护	Medical Records/Health Info Techs	Associate degree	\$12.12
Growth	Network/Computer Systems Admin	Bachelor's degree	\$22.28
ַטֿ	Personal and Home Care Aides	I-month or less training	\$8.66
st	Medical Assts	I-12 mo. on-the-job training	\$11.67
Fastest	Social/Human Service Assts	I-12 mo. on-the-job training	\$10.71
Fa	Computer Systems Analysts	Bachelor's degree	\$24.16
	Computer/Information Systems Mgrs	Work experience & degree	\$33.51
	Surgical Technologists	Postsecondary voc. trng	\$13.89
	Cashiers	I-month or less training	\$7.21
_ ا	Comb Food Prep/Serv Wrk/Incl Fast	I-month or less training	\$7.03
Openings	Retail Salespersons	I-month or less training	\$9.11
٦٠≣	Waiters/Waitresses	I-month or less training	\$6.50
be	Registered Nurses	Bachelor's degree	\$22.18
	Labrs/Frght/Stock/Matrl Movers/Hand	I-month or less training	\$10.50
Most	Labrs/Frght/Stock/Matrl Movers/Hand	I-month or less training	\$10.50
ĮΣ	Office Clerks/General	I-month or less training	\$9.80
	Stock Clerks/Order Fillers	I-month or less training	\$9.60
- T	Janitors/Cleanrs Ex Maids/Hskpng	I-month or less training	\$9.82

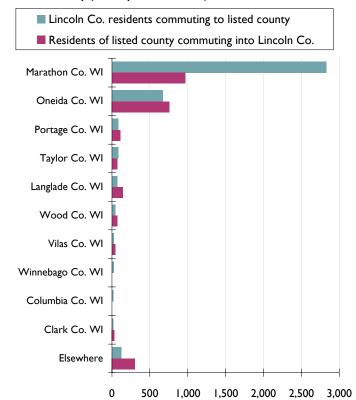
^{*} The most common way to enter the occupation, not the only way

Source: WI DWD, Bureau of Workforce Information, 2002

^{**} Wages from Occupation Employment Statistics survey responses for region, 2001 North Central WDA includes Adams, Forest, Langlade, Lincoln, Marathon, Oneida, Portage, Vilas and Wood counties.

County Commuting Patterns

In April 2003, the Census Bureau released county-to-county worker flow files. The Census reported that approximately 3,974 Lincoln County residents worked outside the county (about 28 percent of working residents by their count). At the same time, roughly 2,494 workers from other counties commuted in (roughly 19 percent of the people filling Lincoln County jobs by their count).



Reasons for commuting vary, but relevant factors include geography, employment conditions, wages and housing costs. Geographically, the population is not centralized. Municipalities relatively near county borders include the City and Town of Merrill, Tomahawk and Bradley. Together, they host about 65 percent of the county's population. Some people may cross county lines without traveling great distances. The Census reported that 60 percent of Lincoln County's working residents commuted less than 20 minutes and 78 percent commuted less than 30 minutes.

Employment conditions in the area present a complex picture. The crudest measure, the 2002 unemployment rate, was lower in Lincoln County (6.9%) than in Forest (7.4%) or Langlade (8.0%), but higher than Oneida (6.4%) or Marathon (4.8%). Being a large labor market with a high concentration of jobs in such high wage industries as financial activities and professional & business services, Marathon County is bound to pull in workers. Oneida County offers many jobs in education & health services, a sector with a high average wage. Lincoln County may not offer the highest manufacturing wage, but Lincoln County's employment and wages are more concentrated in manufacturing than its neighbors' employment and wages.

The map below might suggest that housing dollars go further in Lincoln than in Marathon or Oneida. People who live and work in those counties may move into Lincoln, while keeping their jobs. Net migration drives population growth in Lincoln County, and low housing cost may contribute to net migration.

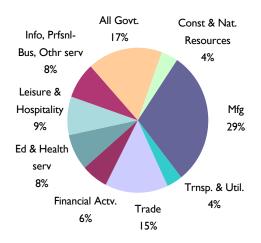
	Lincoln Co. residents	Residents of listed	Net gain or
	commuting to listed	county commuting into	loss of
	county	Lincoln Co.	workers
Marathon Co. WI	2,826	964	-1,862
Oneida Co. WI	672	759	87
Portage Co. WI	83	110	27
Taylor Co. WI	82	71	-11
Langlade Co. WI	71	140	69
Wood Co. Wl	42	71	29
Vilas Co. WI	23	41	18
Winnebago Co. WI	21	not avail.	not avail.
Columbia Co. WI	16	not avail.	not avail.
Clark Co. WI	15	34	19
Elsewhere	123	304	181

Median home values Price \$70,100 Coneida \$106,200 Lincoln \$86,500 Langlade \$68,600 Marathon \$95,800 Census 2000, Summary File 3, QT-H14

Industry Employment Introducing NAICS (North American Industry Classification System)

From the 1930s to 2002, some version of the Standard Industrial Classification (SIC) system has defined categories for employment-by-industry estimates. Beginning in 2003, the North American Industry Classification System (NAICS) replaces SIC. The table below lists each system's major categories. A quick glance shows that NAICS offers categories for which data was previously unavailable (like education & health services or leisure & hospitality) and that NAICS offers less detail elsewhere (retail & wholesale trade collapse into one category for non-metropolitan areas).

Lincoln County Industry Distribution: 2002



The table below hides one wrinkle that may be the most important aspect of SIC-to-NAICS conversion. Even if a category carries an identical title, like "manufacturing", its definition changed, so meaningful comparisons of SIC data to NAICS data are very limited. The SIC definition of manufacturing included establishments that now reside in the services category. Elements of printing are now in information services; some establishments providing professional, technical, administrative or support services may have moved from manufacturing into services. These are just a few examples of changes that limit detailed, direct comparisons of historical SIC data to current NAICS data. (Also, NAICS data was revised with newly available information, while SIC was not, due to its discontinuation.)

Under SIC, restaurants and bars were under retail trade, while NAICS puts them in the newly-created leisure & hospitality sector. Other establishments in the leisure & hospitality sector (such as hotels and lodging facilities) came from the services sector of SIC. There is no accurate or reliable way to compare old trade or services numbers to the new ones.

This page shows employees of public schools and colleges with government. Other pages group them with education & health services. NAICS shows the continuing importance of manufacturing in Lincoln County.

2002 Industry Employment in Lincoln County: A comparison of two classification systems

	Employ-	Distri-		Distri-
NAICS Super-sectors	ment	bution	SIC Industry Divisions	bution
Construction, natural resources & mining	475	4%	Construction & Mining	3%
Manufacturing	3,666	30%	Manufacturing	32%
Transportation, warehousing & utilities	428	4%	Transportation, utilities & communication	4%
Trade (wholesale & retail)	1,773	15%	Wholesale trade	3%
			Retail trade	19%
Financial activities	751	6%	Finance, insurance & real estate	6%
Information, professional & business services,				
other services	981	8%	Services & misc (incl. agr, forestry, fishing)	16%
Education and health services	964	8%	Government	17%
Leisure & hospitality	1,065	9%		
Government	2,093	17%		

Source: WI DWD, Bureau of Workforce Information, Current Employment Statistics Program, March 2003

Lincoln County Workforce Profile

Listed in the table in the middle of the page, the ten largest private employers in Lincoln County accounted for roughly 25 percent of the payroll jobs reported in the county in the first quarter of 2003. Employers' figures vary from month to month and seasonality varies significantly from one employer to another. For these and other reasons, specific ranks are not necessarily consistent or informative.

Listed in the top table, the ten largest industry groups provided approximately 51 percent of the county's total jobs. Job losses in some of these industry groups reflect recent difficulties in manufacturing.

Top 10 Industry Groups in Lincoln County

	Marc	ch 2003	Numeric change
Industry Group	Employers	Employees	2002 - 2003
Wood Product Manufacturing	14	1,120	-35
Educational Services	3	859	-32
Fabricated Metal Product Manufacturing	14	777	-52
Food Services and Drinking Places	67	732	-54
Executive, Legislative, & Gen Government	14	574	5
Insurance Carriers & Related Activities	*	*	*
Paper Manufacturing	*	*	*
Food And Beverage Stores	6	392	-15
Transportation Equipment Manufacturing	*	*	*
Justice, Public Order, & Safety Activity	*	*	*

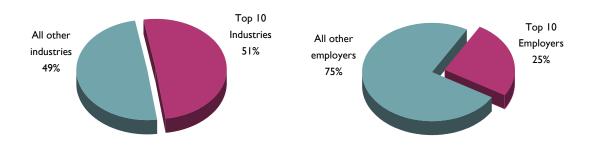
^{*}data surpressed to maintain confidentiality

Top 10 Private Employers in Lincoln County

Company	Product or Service	Size
Packaging Corp. of America	Paper mills (excluding newsprint)	250-499
Church Mutual Insurance Co.	Direct property and casualty insurance carrier	250-499
Semling Menke Co, Inc.	Wood window and door manufacturing	250-499
Harley-Davidson Motor Co. Operations	Motorcycle, bicycle, and parts manufacturing	250-499
Hurd Millwork Co, Inc.	Window and door manufacturing	250-499
Lincoln Wood Products, Inc.	Wood window and door manufacturing	250-499
Good Samaritan Health Center	Health care, social services, hospice and pastoral care	100-249
Northern Wire LLC	Wire components and products manufacturing	100-249
Wal-Mart Associates, Inc.	Discount department stores	100-249
Weinbrenner Shoe Co, Inc.	Men's footwear manufacturing	100-249

Share of jobs with top 10 industries

Share of jobs with top 10 employers



Source: WI DWD, Bureau of Workforce Information, ES-202 special report, First quarter, 2003

Lincoln County Workforce Profile

Overall, Lincoln County employers reported paying about a fifth less than the statewide all-industries average wage, with results varying by industry. Responsible for 31 percent of the county's reported wages and 39 percent of its reported wages, manufacturing remains a key sector in the county's economy. The average annual wage per manufacturing job rose 3.8 percent between 2001 and 2002, but there were fewer manufacturing jobs in 2002. Trade, transportation & utilities faced a mixed picture. Wholesale trade was the only

segment of that sector to see wage gains and employment gains in 2002. Despite strong wage gains (from a very low base), retail trade lost jobs. Perhaps the most uncomfortable numbers are employment reduction accompanied by falling average annual wage in transportation and warehousing.

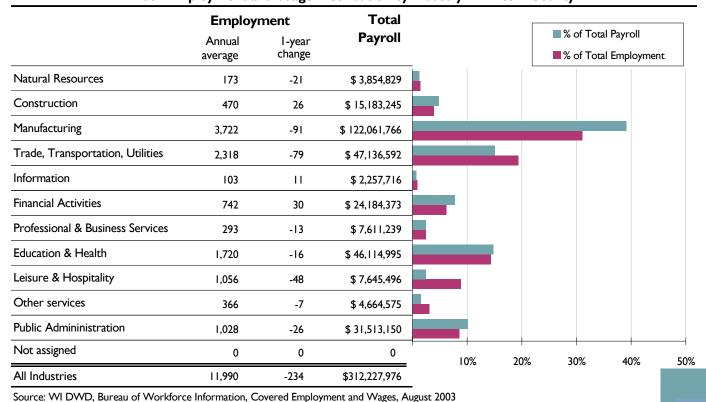
Average Annual Wage by Industry Division in 2002

	Average	e Annual Wage	Percent of	I-year
	Wisconsin	Lincoln County	Wisconsin	% change
All Industries	\$ 32,422	\$ 26,041	80%	3.3%
Natural resources	\$ 25,481	\$ 22,282	87%	13.3%
Construction	\$ 39,649	\$ 32,305	81%	6.6%
Manufacturing	\$ 40,584	\$ 32,795	81%	3.8%
Trade, Transportation, Utilities	\$ 28,422	\$ 20,335	72%	1.5%
Information	\$ 38,871	\$ 21,920	56%	-7.0%
Financial activities	\$ 40,337	\$ 32,593	81%	-0.0%
Professional & Business Services	\$ 36,324	\$ 25,977	72%	7.5%
Education & Health	\$ 33,768	\$ 26,811	79%	2.3%
Leisure & Hospitality	\$ 11,837	\$ 7,240	61%	3.5%
Other services	\$ 19,500	\$ 12,745	65%	6.8%
Public Admininistration	\$ 33,769	\$ 30,655	91%	1.3%

Source: WI DWD, Bureau of Workforce Information, Covered Employment & Wages, August 2003

Leisure & hospitality reported the lowest wages (\$7,240), both in relation to the county's all-industries average and in relation the statewide average for the industry (\$11,837). The former is partially due to part-time and seasonal work schedules that limit wages and growth; the latter is not.

2002 Employment and Wage Distribution by Industry in Lincoln County



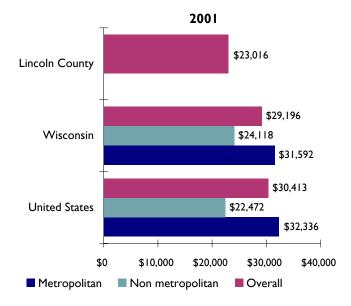
Per Capita Personal Income

In 2001, Lincoln County's per capita personal income (PCPI) of \$23,016 was below non-metropolitan Wisconsin's PCPI (\$24,118) and above the national non-metropolitan PCPI (\$22,472). Between 1996 and 2001, Lincoln County's PCPI slipped from 2.0 percent below non-metropolitan Wisconsin's PCPI to 4.6 percent below non-metropolitan Wisconsin's PCPI. Meanwhile, Lincoln County PCPI held nearly steady (going from 3.2 percent above the national non-metropolitan PCPI to being 2.4 percent above the national non-metropolitan PCPI).

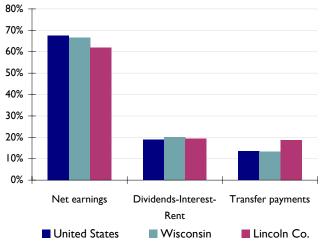
Growth in PCPI relates to demographic shifts (see pages 2 and 3). As a greater share of the population enters retirement, more residents rely on transfer payments (such as Social Security) and fewer have net earnings (typically associated with employment). Transfer payments grow much more slowly than net earnings. Households with substantial investment income (dividends, interest or rent, including retirement or pension plans) are more likely to consider warmer climates for retirement, so PCPI growth may slow considerably.

Per Capita Personal Income

							Percent	Change
	1996	1997	1998	1999	2000	2001	l year	5 year
United States	\$24,270	\$25,412	\$26,893	\$27,880	\$29,760	\$30,413	2.2%	25.3%
Wisconsin	\$23,301	\$24, 4 81	\$26,004	\$26,926	\$28,389	\$29,196	2.8%	25.3%
Lincoln County	\$19,112	\$20,039	\$20,980	\$21,227	\$22,083	\$23,016	4.2%	20.4%







Source: US Dept. of Commerce, Bureau of Economic Analysis, State & Local Personal Income, May 2003, CAI-3, CA05

WWW addresses of source data

Wisconsin population estimates and projections:

Education levels of population, labor force participation rates, commuting patterns:

Labor force estimates (employed and unemployed), industry employment, average annual wages:

Occupations in-demand:

Per Capita Personal Income:

Profile author:

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http://www.census.gov/main/www/cen2000.html

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